



HUBZone Program

<https://minnesota.feb.gov/programs/sadboc>

What is The Historically Underutilized Business Zones (HUBZone) program?

The HUBZone program is designed to help small businesses located in historically underutilized business zones - or HUBZones, gain access to federal procurement opportunities.

HUBZone areas are typically areas of low median household incomes or high unemployment, or both. These areas are located in certain urban, rural, Indian reservation, and military bases closed under the Base Realignment and Closure (BRAC) Act and difficult development areas outside the U.S. mainland. HUBZone-certified companies will help these areas increase employment opportunities, stimulate capital investment, and empower communities through economic leveraging.

Benefits of the HUBZone Program

The federal government has a goal of awarding 3% of all dollars for federal prime contracts to HUBZone-certified small business concerns.

The program's benefits for HUBZone-certified companies include:

- Competitive and sole source contracting.
- 10% price evaluation preference in full and open contract competitions, as well as subcontracting opportunities.

See a list of the biggest industries by contracting dollar amount [here](#).

What is a competitive and sole source contract?

A competitive HUBZone set-aside contract can be awarded if the contracting officer has a reasonable expectation that at least two responsible HUBZone small businesses will submit offers and that the resulting contract can be awarded at a fair market price.

A sole source HUBZone contract can be awarded if the contracting officer does not have a reasonable expectation that two or more qualified HUBZone small businesses will submit offers, determines that the qualified HUBZone small business is responsible, and determines that the contract can be awarded at a fair price. The government estimate cannot exceed \$7.5 million for manufacturing requirements or \$4 million for all other requirements.

Eligibility criteria for the HUBZone Program

To qualify for the HUBZone program, a business (except tribally-owned concerns) must meet the following criteria:

- It must be a small business for its primary NAICS code. Find out if your business is small with the SBA Size Standards Tool, <https://www.sba.gov/tools/size-standards-tool>.
- It must meet one of the following ownership and control requirements:
- Owned and controlled at least 51% by U.S. citizens
- Wholly owned or owned in part by one or more Indian Tribal Governments or by a corporation that is wholly owned by one or more Indian Tribal Governments

- An ANC owned and controlled by Natives or a direct or indirect subsidiary corporation, joint venture, or partnership of an ANC
- Wholly owned by one or more Native Hawaiian Organizations (NHOs), or by a corporation that is wholly owned by one or more NHOs, if all other owners are either United States citizens or SBCs
- Wholly owned or owned in part by a CDC
- A small agricultural cooperative or a small business concern wholly owned or owned in part by one or more small agricultural cooperatives

Except for certain concerns owned by Indian Tribal Governments, all other small businesses must have a principal office located in a qualified HUBZone.

At least 35% of all of its employees must reside in a HUBZone. Reside means to live in a primary residence at a place for at least 180 days, or as a currently registered voter, and with intent to live there indefinitely.

Firms that are owned in whole or in part by Indian Tribal Governments or corporations wholly owned by Indian tribal Governments, at the time of application must either:

- Maintain a principal office located in a HUBZone and ensure that at least 35% of its employees reside in a HUBZone; or
- Certify that when performing a HUBZone contract, at least 35% of its employees engaged in performing that contract will reside within any Indian reservation governed by one or more of the Indian Tribal Government owners, or reside within any HUBZone adjoining such Indian reservation. A HUBZone and Indian reservation are adjoining when the two areas are next to and in contact with each other; and the concern will “attempt to maintain” the applicable employment percentage stated above during the performance of any HUBZone contract it receives.

The HUBZone office has a 35% and principal office calculator, https://www.sba.gov/sites/default/files/articles/35_percent_and_PO_Calculator-New_Employee_rule_v2.xlsx, that you can use to guide you in determining whether you meet these requirements. Before you use it, review the Certification FAQ, <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program/frequently-asked-questions#InitialApplicationGeneralQuestions>.

How to get certify for the HUBZone Program

Before You Begin:

To help you get prepare, review the HUBZone Primer course, <https://www.sba.gov/media/training/hubzoneprimer/index.htm> (download transcript, https://www.sba.gov/sites/default/files/files/HUBZone_Primer_transcript.pdf), Certification FAQ <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program/frequently-asked-questions#InitialApplicationGeneralQuestions>, and the application guide, https://www.sba.gov/sites/default/files/files/HUBZone_Application_Guide.pdf.

There are several important registrations that must be completed before you can start the electronic application process:

- DUN & BRADSTREET: Obtain a free D&B ID number, known as a Data Universal Numbering System (DUNS). <http://fedgov.dnb.com/webform>
- System for Award Management (SAM): Create a SAM profile for the principal office address that is applying for HUBZone certification. <https://www.sam.gov>
- Dynamic Small Business Search (DSBS): If already registered at SAM.gov, ensure that the registration is up-to-date and accurate by visiting Dynamic Small Business

Search (DSBS), aka, SBA's supplemental page: DSBS profiles will reflect your firm's certification status. If changes need to be made, simply go to SAM to update the DSBS profile. http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm

- SBA's General Login System (GLS): you must complete registration in this system for each individual that can update information to for your concern. Once you have registered, then you must add the concern's DUNS and EIN number(s) and then you can obtain access to the HUBZone application module. <https://eweb.sba.gov/gls>

Review the list of supporting documentation you will need to upload after submitting the online application. See the supporting documentation request which is in the "Initial Application General Questions" section of the Frequently Asked Questions web page. The supporting documentation request includes a checklist and instructions on how to upload the documents. Note: SBA may request additional documents when the evaluation process begins.

See the application guide which can help you prepare to submit the online application. https://www.sba.gov/sites/default/files/files/HUBZone_Application_Guide.pdf

Application Process Steps

1. Apply for the HUBZone Certification Online. <https://eweb.sba.gov/gls>
2. After submitting the online application, you will receive an automated email instructing you to log into the General Login System (GLS). These instructions outlines a time sensitive requirement. Specifically, the firm has 10 business days to electronically verify the data it entered in its online HUBZone application. After this verification is completed, the firm has an additional 10 business days to upload the supporting documentation. The online application plus the uploading of all the supporting documentation in the list, constitute a completed application package. If either of these steps are not completed within the timeframe provided, the application is withdrawn.
3. Check your email SPAM folder to make sure that you are receiving emails from SBA.

NOTE: The HUBZone program office does not issue certificates. When you submit bids for HUBZone contracts, contracting officers are required to confirm your HUBZone certification by searching for your firm in the publicly available Dynamic Small Business Search (DSBS). Your firm's profile will reflect whether you are HUBZone certified and if so, the date that you were certified. This part of your profile is automatically populated by the HUBZone program.

For more information visit:

- Visit the SBA HUBZone page <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program>
- Read, SBA HUBZone FAQ <https://www.sba.gov/contracting/government-contracting-programs/hubzone-program/frequently-asked-questions>
- On-demand Webinars: SBA Learning Center <https://www.sba.gov/tools/sba-learning-center/search/training/government-contracting>
- Local contact: Minnesota District Office: Shaun McClary at (612) 370-2320, email: shaun.mcclary@sba.gov

HUBZone offers eligibility assistance on Tuesdays and Thursdays from 2-3pm ET via toll free number: 1-888-858-2144 access code 5540055#. Participants influence the topics by their questions. HUBZone staff facilitates the discussion by providing the answers and introducing specific topics as time allows. This format offers the opportunity to learn how to maintain eligibility to decrease the possibility of an initial application being declined or being decertified after obtaining the HUBZone certification. If you are seeking status information, need help in resolving technical difficulties, or need individualized assistance please email hubzone@sba.gov.